

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2015-075-00659R

Parcel No. 12-21-133-015

Tiffany Konz,
Appellant,

v.

Plymouth County Board of Review,
Appellee.

Introduction

This appeal came on for consideration before the Property Assessment Appeal Board (PAAB) on November 24, 2015. Tiffany Konz was self-represented and requested a written consideration of her appeal. Plymouth County Assessor Robert Heyderhoff represented the Board of Review.

Konz is the owner of a residential, two-story home located at 1230 Central Avenue SE, Le Mars. The home, built in 1979, has 2606 square feet of above grade finish; a full, unfinished basement with walk-up entry; a 528 square-foot deck; and a two-car attached garage. The site is 0.378 acres.

The property's January 1, 2015, assessment was \$243,300, allocated as \$23,940 in land value and \$219,360 to improvement value. Konz's protest to the Board of Review claimed the assessment was not equitable as compared with assessments of other like property; and that the property was assessed for more than the value authorized by law under Iowa Code sections 441.37(1)(a)(1)(a) and (b).

The Board of Review denied the petition.

Konz appealed to PAAB and asserted the subject property's assessment should be \$222,000.

Findings of Fact

Tiffany Konz submitted four pages of an appraisal report prepared by Jeff Meeker with Meeker Appraisal Group, LLC, Sioux City, Iowa. Meeker developed the sales comparison approach in arriving at his opinion of a fair market value of \$222,000, as of February 2015.

Meeker selected six comparable properties for his sales comparison analysis, which are summarized in the following chart.

	Date of Sale	Sale Price	Site Size (Acres)	Gross Living Area	SP/SF	Adjusted Sale Price	Adjusted SP/SF
Subject	N/A	N/A	0.378	2606	N/A	N/A	N/A
1 - 830 W Valley Dr	Jul-14	\$212,500	0.213	1919	\$110.73	\$220,000	\$114.64
2 - 201 11th St SW	Aug-14	\$251,000	0.227	2830	\$88.69	\$224,700	\$79.40
3 - 1035 Central Ave SW	Jun-14	\$190,000	0.310	1763	\$107.77	\$220,750	\$125.21
4 - 1580 2nd Ave SE	Apr-14	\$247,000	0.258	2704	\$91.35	\$228,400	\$84.47
5 - 1362 Ridgewood Dr	Active	\$259,000	0.237	1763	\$146.91	\$259,750	\$147.33

Meeker's analysis is minimal; however we also note Konz did not provide the full appraisal. Though it was missing an addendum, it did include the most pertinent part containing the sales adjustment grid. The sales appear to be reasonable comparisons to the subject in terms of location, size, and quality/condition. Particularly, we find Sales 1, 2, and 4 to be the most similar in size, age, and amenities, and these sales also have the fewest adjustments. Of these, Sales 2 and 4 are two-story properties like the subject and after adjustments indicate a range of value of \$79.40 to \$84.47 per-square-foot.

Meeker reported an April 2014 sale of Sale 4. According to the property record card, it also sold in July 2014 for \$243,130. Meeker does not explain why he reported the prior sale. While both the April and July sales of this property are listed as normal transactions by the Assessor's Office, it is unusual for a property to sell twice in a three-month timeframe. Adjusting the July 2014 sale with the same methodology Meeker

applied to the April Sale, the adjusted value of this property is \$224,530, or \$83.04 per-square-foot.

The Board of Review submitted a letter outlining its position that was written by Plymouth County Assessor Robert Heyderhoff. Heyderhoff is critical of Konz's inequity argument and of Meeker's appraisal. First, we do not believe Konz raised an equity claim to this Board; rather, she relied solely on the Meeker appraisal and asserted the property was over-assessed.

Heyderhoff also asserts the appraisal is deficient and ultimately unreliable. First, he asserts Meeker misreported the actual age of the subject property. We find Meeker's report correctly identifies the subject property as being built in 1979, (Appraisal p. 1) which would indicate an actual age of thirty-six years based on the February 2015 effective date of the report. Moreover, Meeker explains that the property's effective age is lower than its actual age due to effective maintenance including remodeling throughout the property. (Appraisal. p. 1).

Heyderhoff also complains that the appraisal was developed for mortgage financing rather than ad valorem purposes. We find Heyderhoff's criticism of the appraisal being developed for mortgage financing purposes irrelevant in this case. Meeker stated the purpose was to determine the property's fee simple fair market value and no evidence in the record suggests that Meeker determined something more or less than fair market value.

Heyderhoff also contends that because two of the sales Meeker selected are two-story homes, the remaining sales are incomparable to the subject property. However, there is no evidence in the record to suggest that one-story homes would not compete with two-story homes in this market area. Moreover, we note the Board of Review did not assert there were more comparable sales available for use in the analysis. Meeker's appraisal also notes there were few comparable sales located in the subject's defined neighborhood and surrounding competing developments. (Appraisal p. 3).

Finally, Heyderhoff argues that Sale 3 is 20 years older than the subject property but lacks an age adjustment. We find this asserted error would not significantly affect the conclusions.

Considering all of the evidence, we find Meeker's Sales 2 and 4 are the best indicators of value, as these two properties are most similar to the subject; both are two-story properties, are more similar in size, offer similar amenities, and required the least amount of adjustments. For this reason, we believe these Sales should be given the greatest consideration in determining the property's fair market value. We also consider the July 2014 transaction of Sale 4. They indicate a value range between \$224,700 and \$228,400.

Conclusions of Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2015). PAAB is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB considers only those grounds presented to or considered by the Board of Review, but determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. §§ 441.37A(1)(a-b). New or additional evidence may be introduced, and PAAB considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not

available to determine market value then “other factors,” such as income and/or cost, may be considered. § 441.21(2).

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(1)(b), the taxpayer must show: 1) the assessment is excessive and 2) the subject property’s correct value. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). Meeker’s appraisal included four sales and an active listing, and he concluded a market value opinion as of February 2015 of \$222,000. Meeker considered all of the comparable properties in his opinion of value; however, as previously noted, we find Sales 2 and 4 are the most similar in terms of age, style, size, and amenities and required minimal adjustment. For this reason, we believe Meeker should have given Sales 2 and 4 the most consideration. Therefore, based on a preponderance of the evidence, we determine the fair market value of the subject property is \$226,000.

Order

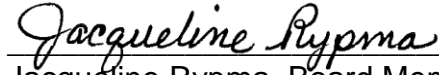
IT IS THEREFORE ORDERED that the Plymouth County Board of Review’s action is modified to \$226,000.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2015). Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action. Any judicial action challenging this Order shall be filed in the district court where the property is located within 20 days of the date of this Order and comply with the requirements of Iowa Code sections 441.38; 441.38B, 441.39; and Chapter 17A.

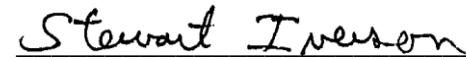
Dated this 11th day of December, 2015.



Karen Oberman, Presiding Officer



Jacqueline Rypma, Board Member



Stewart Iverson, Board Chair

Copies to:

Tiffany Konz

Robert Heyderhoff